

SECOND REGULAR SESSION

# SENATE BILL NO. 703

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WRIGHT-JONES.

Read 1st time January 25, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

4991S.011

## AN ACT

To repeal section 313.270, RSMo, and to enact in lieu thereof one new section relating to lottery commission contracting requirements.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 313.270, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 313.270, to read as follows:

313.270. 1. The director, pursuant to rules and regulations issued by the  
2 commission, may directly purchase or lease such goods or services as are  
3 necessary for effectuating the purposes of sections 313.200 to 313.350, including  
4 procurements which integrate functions such as lottery game design, supply of  
5 goods and services, and advertising. The lottery commission by approved rule  
6 may purchase goods made in the United States and sold by a Missouri business  
7 to be given away as prizes within the provisions of section 313.321. Contracts  
8 shall be awarded to lottery contractors or lottery vendors on the basis of lowest  
9 and best bid on an evaluated basis in order to maximize revenues to the lottery  
10 fund. The director may also utilize state purchasing procedures. The director  
11 shall award at least ten percent of the aggregate dollar amount of all contracts  
12 to provide goods and services to the lottery to minority business enterprises as  
13 defined by the office of administration and shall award at least five percent of the  
14 aggregate dollar amount of all contracts to provide goods and services to the  
15 lottery to women business enterprises as defined by the office of administration.  
16 No contract awarded or entered into by the director may be assigned by the  
17 holder thereof except by specific approval of the commission.

18 2. Any contract awarded to any lottery contractor or vendor shall provide  
19 that such contractor or vendor shall award a minimum of ten percent of his

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

20 subcontracted business to minority business enterprises as defined by the office  
21 of administration and shall award a minimum of five percent of his subcontracted  
22 business to women business enterprises as defined by the office of  
23 administration. This section shall not apply to multistate lottery.

24           3. Any lottery vendor which enters into a contract to supply lottery  
25 materials, services or equipment for use in the operation of the state lottery shall  
26 first disclose such information as the commission may require, by rule and  
27 regulation, concerning the selection of lottery vendors.

28           4. The costs of any investigation into the background of the applicant  
29 seeking a contract shall be assessed against the applicant and shall be paid by  
30 the applicant at the time of billing by the state.

31           5. Performance bonds shall be posted by each contractor with the  
32 commission with a surety acceptable to the commission in an amount as may be  
33 required by the commission, but not to exceed the expected total value of the  
34 contract. The contract of any lottery contractor who does not comply with such  
35 requirements may be terminated by the commission. The commission may  
36 terminate the contract of any lottery vendor who:

- 37           (1) Is convicted of any felony;  
38           (2) Is convicted of any gambling-related offense;  
39           (3) Is convicted of any crime involving fraud or misrepresentation;  
40           (4) Fails to comply with the rules and regulations of the commission  
41 existing at the time the contract was entered into; or  
42           (5) Fails to periodically update any disclosure requirements.

43           [6. The provisions in this section requiring that certain percentages of  
44 lottery contracts and subcontracts be awarded to businesses owned and controlled  
45 by women or ethnic and racial minorities shall expire on January 1, 2005.]

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